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US IMPORTS OF SOVIET OIL INCREASE

US imports of Soviet oil last year were 29,700 b/d, compared with 8,600 b/d in 1972. In January they reached 62,000 b/d. The 1973 shipments provided about 1% of our imports.

Most Soviet oil is carried by tankers returning from delivering grain to the Soviet Union. A high level of oil deliveries probably will be maintained at least until the grain contracts are fulfilled. Some grain deliveries have been postponed, however, and the oil trade may fall off until grain shipments pick up some time after mid-year.

Residual fuel oil represented about 85% of the oil cargoes in 1972 and 20% in 1973. Distillates - gasoline, kerosene, and heating oil - made up 65% in 1973. The average delivered price of a barrel of Soviet oil in 1973 was \$6.95, compared with \$2.70 in 1972. Much of the increase can be attributed to the more expensive distillates. The average delivered cost of residual oil, however, increased from \$2.65 in 1972 to \$4.36 last year, reflecting the higher oil prices worldwide. (UNCLASSIFIED)■

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